Access Line. Language concerning pay telephone sets, in general, has been removed from the tariff entirely or has been replaced, where appropriate, with a reference to Public Access Lines or Pay Telephone Service Providers.

2. Unbundled Features

This filing introduces four unbundled features that have been used by USWC's pay telephone operation in the provision of its pay telephone service provided from smart phones.[2] They include: Answer Supervision - Lineside, Billed Number Screening, CUSTOMNET Service, and Blocking for 10XXX1+/10XXX011+. No unbundled features are used by USWC's pay telephone operation in the provision of its pay telephone service provided from "dumb" pay telephones. While the above services are used by USWC's pay telephone operation, it should be noted that these services have been available to independent pay telephone providers in USWC's state exchange services tariffs and have, in fact, been purchased and still are being purchased out of those tariffs by independent pay telephone providers. These features were not available only to USWC. All of these services are, in fact, available on lines other than Public Access Lines purchased out of USWC's state exchange services tariffs. None of these features is required in order to provide service from a smart pay telephone over a Basic PAL line.[3]

[2]Inclusion of these unbundled features is required by the FCC's Report and Order, CC Dockets No. 96-128 and 91-35, In the Matter of Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, released September 20, 1996, ¶¶ 146-148.

[3]USWC's Basic PAL Line is used to provide service to a smart pay telephone. USWC's Smart PAL Line is used to provide service to a "dumb" pay telephone.

2.1 Answer Supervision - Lineside

Answer Supervision - Lineside (ASLS) provides the capability to deliver "off-hook" supervisory signals from the terminating central office switch to a lineside interface at the originating central office switch. The feature indicates when the called party has answered the incoming call.

ASLS was originally deployed at the request of an enhanced service provider with a service that would make use of this feature. Later, it was determined that pay telephone providers might have a use for this service in order to know the exact timing for determining call duration. The demand from the enhanced service provider never materialized. In addition, as smart pay telephones became even more sophisticated, they arrived with the capability to detect the "off-hook" condition based on their ability to recognize fast and slow busy signals, the special information tones (SIT tones) that precede intercept messages, the human voice, etc. Rather than just a timing algorithm based on the amount of time that the pay telephone end user had the pay telephone in an "off-hook" condition, there were now numerous triggers recognizable by the smart phone to trigger a determination as to whether charges should commence based on a completed call. As a consequence, the expected demand for ASLS by payphone service providers (PSPs) did not materialize due to the fact that the service could add only marginal value beyond that already resident within the smart pay telephone itself. In fact, today, out of the approximately 24,600 lines equipped with this feature, independent pay telephone providers have purchased this feature on only 188 PAL lines. USWC does not expect any demand at the interstate level as this service is purchased as a feature on services obtained under state exchange service tariffs.

USWC is proposing the same nonrecurring and recurring rates per equipped line for this service that are approved and effective in thirteen of its fourteen states.

ASLS is only available in 5ESS and DMS switches. All of these switches are not currently equipped with this capability nor does USWC intend to equip the remaining offices with the capability due to lack of demand. When this service was introduced in USWC's state tariffs, enough demand was anticipated to plan deployment in all 5ESS and DMS switches. The costs for such deployment and demand supported the rate levels currently in effect in our state tariffs. As can be seen in Workpapers 14 and 17, the current nonrecurring costs more than support the nonrecurring charge proposed. The new recurring cost support foresees essentially static demand, most of which is demand from the USWC pay telephone operation, and does not include the expansion of the service into additional switches. Any additions to service in switches would result in significant additional costs not reflected in the attached recurring cost workpaper.

2.2 Billed Number Screening

Billed Number Screening (BNS) prohibits collect and/or third number billing calls from being charged to BNS equipped numbers. Callers attempting to place collect or third number billed calls to a BNS equipped number will be advised by the operator that such billing is unauthorized. This service is available to customers at no charge. USWC expects no demand for this service at the interstate level.

2.3 CUSTOMNET Service

CUSTOMNET Service provides toll access screening options that allow customers to restrict the classes of chargeable calls originating over their lines. CUSTOMNET allows pay telephone providers, by means of USWC operator identification, to provide toll access but restrict 0/0+ outgoing toll calls to only those calls that are charged to the called number, a third number, and/or a calling card. Two options are provided. In Option 1, all local and non chargeable calls (800 type, company repair, 911, etc.) are permitted. Calls dialed 0/0+ are permitted if alternate billing is used. Calls dialed 1+, including calls to Directory Assistance, are not permitted. With Option 2, local calls, non chargeable calls and calls dialed 1+ are permitted.

Both a nonrecurring and recurring charge will apply to the CUSTOMNET feature on a per line basis. The rates for this service are based on rates currently approved and effective in USWC's fourteen states. Alternatives to this service are resident within smart pay telephones. CUSTOMNET is not required to provide service from a smart pay telephone.

2.4 Blocking for 10XXX1+/10XXX011+

Blocking for 10XXX1+/10XXX011+ prevents 10XXX1+ and 10XXX011+ calls from being completed. Such calls will be routed to an announcement. Rates are based on rates currently approved and charged in USWC's fourteen states and include both nonrecurring and recurring elements.

3. Rate Development for Unbundled Features

USWC developed direct recurring and nonrecurring costs for the rate elements for ASLS, CUSTOMNET Service, and Blocking for 10XXX1+/10XXX011+ Service. Next, internal and external conditions which impact the new service were evaluated to determine the price of the service. Factors considered included the pricing of and relationship to existing services offered by USWC (i.e., rates for these services charged in each state), the competitive alternatives available to the customer, market willingness to pay, and other information on the value of the service to the customer. The charges for each of these unbundled features are above direct cost.[4]

After establishing the price, the ratio of price to direct cost was developed and compared to the ratio of total Part 69 expenses to the total cost for interstate services. Total Part 69 expenses were developed for service categories by using the ARMIS Report 43-01 data for the period January 1995 through December 1995. Workpaper 13 details the detailed Part 69 comparisons. In addition to the price/direct cost ratio, Workpaper 13 provides the direct cost/price and direct cost/unit investment ratios, as required in the Part 69 ONA Order. The direct cost to unit investment is not displayed for the nonrecurring charge elements, as there is no unit investment associated with those elements.

[4]Some of the direct nonrecurring costs of ASLS are recovered in the recurring rate, although this recovery is not reflected in the cost support for the recurring rate element.

4. Demand and Revenue Impacts for Unbundled Features

4.1 Demand

USWC does not expect the introduction of these unbundled features to change the jurisdictional requirements of services provided to pay telephone providers. All pay telephone service provider customers are served by intrastate service offerings. Consequently, the demand forecast for these features in the interstate jurisdiction is zero.

4.2 Revenue

No revenue projections can be calculated because there is no forecasted interstate demand.

5. Unit Costs for Unbundled Features

5.1 Overview

This section describes the development of regional unit costs in support of the unbundled features' rate elements. Included is a description of the rate elements being proposed for the unbundled features, the processes used to develop the recurring and nonrecurring unit costs, and the workpapers attached.

5.2 Development of Recurring Unit Costs

The recurring unit costs consist of ongoing costs to provide these services. The investments include the material price of equipment, software feature costs, engineering costs and labor to install the features and miscellaneous minor material loadings.

After all components of investment were identified, a per unit investment was derived by dividing by the total inter/intrastate demand figures. Various factors were applied to this unit investment to identify the appropriate capital and operating costs associated with offering each feature. Each factor, when applied to the unit investment or expense (administrative and business fees are applied to expenses rather than investment), produces a per unit amount which should be recovered each year to appropriately cover those costs. The total figure was then divided by twelve to produce a monthly unit cost.

Capital costs are covered through the use of factors which, when applied to investment, produce the annual costs associated with depreciation, earnings and income tax. Depreciation is applied by account code, reflecting the different economic lives of the various types of equipment and plant used to provide services. The earnings or "cost of money" factor represents the return that USWC must pay its investors for the use of their capital. Finally, income tax is the expense associated with taxes that will be incurred on the income earned on the new service.

Operating costs are covered through the use of factors which when applied to investment or expense, produce the annual costs of associated maintenance, right to use, Ad Valorem taxes, administrative expenses and business fees. Right to use fees cover the ongoing costs of feature use of switch software after the initial investment. Ad Valorem taxes are state level taxes applied at the investment level. Administrative expenses include the costs associated with the line and staff operations which support the new service. Business fees include state level franchise taxes, municipal license fees, occupation taxes and gross receipts taxes.

5.3 Development of Nonrecurring Unit Cost

When a customer requests each of the unbundled features, a one time cost to provision the service is incurred. The nonrecurring provisioning rate element recovers these costs as well as the associated cost to disconnect the service at some later date.[5]

The first step taken in developing a nonrecurring cost was to identify the various work groups and tasks required to install and disconnect the service. Next, USWC estimates were used to develop average labor times per task. Once identified, the average labor times were multiplied by the appropriate labor rates to produce the cost per work group. The sum of all the work group costs produces the total nonrecurring cost.

The labor rates used in this study were developed by applying additional factors to cover administrative expense and business fees that are incurred with the new offering. Administrative expenses include the costs associated with the line and staff

[5] In the case of ASLS, a portion of the nonrecurring cost is recovered in the recurring rate element.

operations which support the new service. Business fees include state level franchise taxes, municipal license fees, occupation taxes and gross receipts taxes.

5.4 Description of Workpapers

The recurring unit costs were developed at a regional level. The recurring unit costs are displayed in Workpapers 14 (ASLS), 15 (CUSTOMNET), and 16 (Blocking for 10XXX1+/10XXX011+). Each of these costs is developed on a per line basis. These workpapers display the total unit investment, the capital costs and operating expenses, the total direct unit costs attributable to unit investment, and the total direct unit costs divided by the total unit investment.

Nonrecurring unit costs werc developed at a regional level. The nonrecurring unit costs are displayed in Workpapers 17 (ASLS), 18 (CUSTOMNET), and 19 (Blocking for 10XXX1+/10XXX011+).

6. Workpapers

Workoaper 1 - Calculation of Pay Telephone Set Deregulation Costs
Workpaper 2 - Summary of Pay Telephone Cost Allocator and Exogenous Adjustment
Workpaper 3 - Pay Telephone Cost Allocation and Restructure Detail
Workpaper 4 - NECA Long Term Support Workpaper
Workpaper 5 - Carrier Common Line Maximum Rate Calculation
Workpaper 6 - End User Common Line Restated BFP Forecast
Workpaper 7 - Common Line Base Factor Portion Revenue Requirement Detail
Workpaper 8 - Apportionment of BFP of Common Line Revenue Requirement

Workpaper 9 - Multi Line Business Current and Proposed Rates

Workpaper 10 - Single Line Residence/Business Current and Proposed Rates

Workpaper 11 - Carrier Common Line Current and Proposed Rates

Workpaper 12 - Common Line Revenues

Workpaper 13 - Part 69 Expense Ratios

Workpaper 14 - ASLS Recurring Costs

Workpaper 15 - CUSTOMNET Recurring Costs

Workpaper 16 - Blocking for 10XXX1+/10XXX011+ Recurring Costs

Workpaper 17 - ASLS Nonrecurring Costs

Workpaper 18 - CUSTOMNET Nonrecurring Costs

Workpaper 19 - Blocking for 10XXX1+/10XXX011+ Nonrecurring Costs

RECURRING COST

CUSTOMNET, per line

A.	Total Unit Investment	$	0.22
B.	Capital Expenses		
	Depreciation	$	0.02
	Cost of Money	$	0.01
	Income Tax	$	0.01
	Total	$	0.04
C.	Operating Expenses		
	Maintenance	$	0.01
	Ad Valorem	$	0.00
	Administrative	$	0.02
	Business Fees	$	0.00
	Total	$	0.03
D.	Total Annual Direct Unit Cost (B + C)	$	0.07
E.	Total Monthly Direct Unit Cost (D/12)	$	0.01
F.	Total Direct Unit Cost/Total Investment (D/A)		0.318

NONRECURRING COSTS

CUSTOMNET, per line

Labor Group	Time in Minutes	Labor Rate/Hour	Costs
Inward Costs:			
Central Office Administration	1.84	$46.20	$ 1.41
Central Mntnc/Spec Svcs	4.10	$57.19	$ 3.91
Business Service Center	0.53	$36.76	$ 0.32
Service Order Entry Center	2.07	$38.94	$ 1.34
Inward Subtotal			$ 6.98
Outward Costs:			
Business Service Center	0.17	$36.76	$ 0.10
Service Order Entry Center	1.45	$38.94	$ 0.94
Outward Subtotal			$ 1.04
Total Nonrecurring Costs			$ 8.02

EXHIBIT 2

DOCKET FILE COPY ORIGINAL

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APR 25 1997
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
U S WEST's Comparably Efficient Interconnection Plan for Payphone Services	)	CC Docket No. 96-128
	)	
Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996	)	

**AMENDMENT OF PLAN OF U S WEST, INC.
TO OFFER COMPARABLY EFFICIENT
INTERCONNECTION FOR PAYPHONE SERVICES**

U S WEST, Inc. ("U S WEST"), pursuant to the Common Carrier Bureau's ("Bureau") Memorandum Opinion and Order and its Clarification Order,[1] hereby amends its Comparably Efficient Interconnection ("CEI") Plan for Payphone Services.[2] Upon the effective date of this Amendment, U S WEST will delete references therein to CUSTOMNET (Outgoing Fraud Protection).

---

[1] In the Matter of Bell Operating Companies' Joint Petition for Waiver of Computer II Rules, Memorandum Opinion and Order, 10 FCC Rcd. 1724 (1995); In the Matter of Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, CC Docket No. 96-128, Order, DA 97-678, rel. Apr. 4, 1997 ("Order" or "Clarification Order").

[2] U S WEST's CEI Plan for Payphone Services was approved by the Bureau on Apr. 15, 1997. See In the Matter of U S WEST's Comparably Efficient Interconnection Plan for Payphone Services, Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, CC Docket No. 96-128, Order, DA 97-796, rel. Apr. 15, 1997.

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List A B C D E

On Monday, April 14, 1997 U S WEST Communications, Inc., under authority of Special Permission No. 97-125 of the Bureau, removed CUSTOMNET from its payphone compliance tariff filing (Transmittal No. 823). This was done because CUSTOMNET does not fit the criteria in the Bureau's Clarifying Order. In that Order the Bureau clarified that the requirement to file federal tariffs applies only to payphone-specific, network-based, unbundled features and functions provided to others or taken by a LEC's operations, and did not include in this federal tariff requirement features and functions that are generally available to all local exchange customers, such as touchtone and various custom calling features.[3]

CUSTOMNET falls in the latter category because it is a feature generally available to all U S WEST end-user customers and is not payphone-specific. Although utilized by U S WEST's payphone operation in its provision of payphone service, CUSTOMNET is also used by numerous end-user customers other than payphone service providers. Based on March 1997 data, more than 70% of CUSTOMNET lines are residential and business lines, not payphone lines. CUSTOMNET, in these respects is very similar to touchtone service. Consequently, U S WEST need not add CUSTOMNET to its federal tariff to be in compliance with the tariff requirements of the Clarification Order. Thus CUSTOMNET was removed from that filing as described above.

In order to be consistent with its corrected Federal Tariff and accurate in its representations in its CEI Payphone Plan, U S WEST respectfully submits this

[3] Clarification Order ¶ 18.

request to delete the references to CUSTOMNET in its CEI Payphone Plan, specifically on page 16 of the CEI Plan and in Exhibits A and B. Attached to this Amendment are corrected copies of page 16 and Exhibits A and B. Please replace the previous versions of these pages with the versions that are attached to this Amendment.

Respectfully submitted,

U S WEST, INC.

By: James T. Hannon

James T. Hannon
Suite 700
1020 19th Street, N.W.
Washington, DC 20036
(303) 672-2860

Its Attorney

Of Counsel,
Daniel L. Poole

April 25, 1997

EXHIBIT 3

EX PARTE OR LATE FILED **BELLSOUTH**

Ben G. Almond
Executive Director-
Federal Regulatory

Suite 900
1133-21st Street, N.W.
Washington, D.C. 20036
202 463-4112
Fax: 202 463-4198

April 9, 1997

RECEIVED

APR - 9 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M. Street, NW, Room 222
Washington, D.C. 20554

Re: **Ex Parte**
Payphone Reclassification Proceeding
CC Docket No. 96-128
Order (Common Carrier Bureau, April 4, 1997)

Dear Mr. Caton:

Pursuant to the referenced Order, this is to advise the Commission on the status of intrastate tariffs for unbundled features and functions BellSouth has not yet federally tariffed. A copy of this ex parte letter is being filed with Radhika V. Karmarkar, Esq., of the Commission's Policy and Program Planning Division, in BellSouth's CEI proceeding as required by the Order.

As of this date, there are no payphone-specific, network-based, unbundled features and functions provided to others or taken by BellSouth's payphone operations that are tariffed by BellSouth at the intrastate level. The Order characterizes answer supervision as "pay-phone specific" at paragraph 18. BellSouth does not believe the Order's characterization is correct as to BellSouth because answer supervision is tariffed by BellSouth as a local exchange service for use only with line side terminated PBX trunks in Alabama, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee.

In Florida, answer supervision is an unbundled feature which is tariffed in the local exchange services tariff and available for use with either IPP lines or line side terminated PBX trunks. Neither BellSouth's payphone affiliate, nor any independent payphone service provider, has ever subscribed to this unbundled, non-payphone-specific feature.

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List A B C D E

Nevertheless, in light of the Order's specific reference to answer supervision, BellSouth commits to filing a federal tariff for this feature for Florida within 45 days of the release date of the Order, i.e., on or before May 19, 1997, without waiving its continuing objection to the Common Carrier Bureau's authority to require such a filing.[1]

Please contact me if you have any questions.

Sincerely,

Ben G. Almond

Ben G. Almond
Executive Director-Federal Regulatory

cc: Radhika V. Karmarkar, Esq.

[1] Notwithstanding the language employed in any of the orders in this proceeding, the Commission is without jurisdiction to require the federal tariffing of intrastate, local exchange services. See BellSouth Petition for Clarification and Reconsideration, CC Docket No. 96-128 (October 21, 1996) at 6-19; BellSouth Opposition and Comments, CC Docket No. 96-128 (October 30, 1996) at 1-2; BellSouth ex parte Letter from Ben G. Almond to William F. Caton, CC Docket No. 96-128 (March 20, 1997).

EXHIBIT 4

BEACH LAW FIRM, P.A.

ATTORNEYS AT LAW

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EX PARTE OR LATE FILED

JOHN F. BEACH
JOHN J. PRINGLE, JR.

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TELEPHONE 779-0066
FACSIMILE 799-8479

April 14, 1997

RECEIVED

APR 14 1997

Federal Communications Commission
Office of Secretary

VIA HAND DELIVERY
Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, D.C. 20554

RE: Ex Parte from Ben G. Almond of BellSouth dated April 9, 1997
Payphone Reclassification Proceeding
CC Docket No. 96-128. Order (Common Carrier Bureau, April 4, 1997)

Dear Mr. Caton:

I am writing on behalf of the Southeastern Public Communications Coalition ("SPCC")[1] in response to the April 9, 1997 ex parte of Ben G. Almond on behalf of BellSouth in the above referenced matter. The SPCC strenuously disagrees with BellSouth's statement that "as of this date, there are no payphone-specific, network-based, unbundled features and functions provided to others or taken by BellSouth's payphone operations that are tariffed by BellSouth at the intrastate level."

The Order addresses the LEC federal tariffing requirements in two ways. First, it names specific unbundled features that, if tariffed at the state level, "must be federally tariffed." These include "answer supervision, call screening,"[2] "call blocking, coin supervision additive, coin signaling transmission additive, coin rating, original line number screening, and IDDD blocking."[3] The Order also generally requires LECs to tariff all other "payphone specific,

[1]The SPCC is a Coalition of public telecommunications associations representing the nine BellSouth states. The members of these state associations include independent PSPs, Operator Service Providers, Long-Distance Carriers, and other telecommunications-related companies operating in each state. Each association acts as an advocate for the public payphone industry and engages in educational, and "self-regulatory" activities to help ensure the responsible provision of pay telephone services to the public.

[2]Order, ¶ 18.

[3]Id., footnote 49.

(Continued . . .)

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List ABCDE

network-based, unbundled features and functions provided to others or taken by a LEC's operations. . . ."[4] The meaning of the term "payphone-specific" is then clearly delineated:

> . . . we do not include in this federal tariffing requirement features and functions that are generally available to all local exchange customers and are only incidental to payphone service, such as touchtone services and various custom calling features. [emphasis added]

BellSouth offers each of the central office blocking and screening features listed in the Order on an unbundled basis in each BellSouth state except Georgia and Florida. BellSouth also offers Billed Number Screening on an unbundled basis in at least Alabama and South Carolina. A copy of the BellSouth's South Carolina tariff for these unbundled features is attached as Exhibit 1.[5]

Inexplicably, BellSouth fails in its ex parte to either mention these unbundled features, or provide the required commitment to federally tariff them. One explanation for this omission may be that BellSouth's intrastate rates for these blocking and screening services are several thousand percent greater than its cost. BellSouth's costs for central office blocking and screening and billed number screening for South Carolina are attached as Exhibit 2. The cost for central office blocking and operator screening per line is only $ .01 per month. The tariffed monthly rate ranges from $2.00 to $4.00. The cost for billed number screening is $ .026 per inquiry. However, BellSouth properly charges the IXC for these inquiries, so, BellSouth's effective cost to provide billed number screening to IPPs is zero. The tariffed monthly rate for billed number screening is $1.00.

In addition to BellSouth's glaring omission of its blocking and screening features, its assertions regarding answer supervision are based upon an untenable interpretation of the Order. BellSouth must federally tariff answer supervision since that feature is not "generally available to all local exchange customers." Answer supervision is a specialized product that is more than just "incidental to payphone service." BellSouth's contention that the term "payphone-specific" means "offered exclusively to payphone customers" must be rejected.

The Order requires BellSouth to advise of the "status of the intrastate tariffs for

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[4] Id., ¶ 18. The listed features that must be federally tariffed also plainly meet this test.

[5] BellSouth also offers Coin Refund and Repair on an unbundled basis in every BellSouth state. While this service is not specifically listed in the Order, it clearly meets the Order's test that requires this feature to be filed at the interstate level.

(Continued . . .)

the unbundled features and functions that it has not yet federally tariffed."[6] In this regard, BellSouth fails to advise the FCC that IPPs have initiated proceedings in at least three BellSouth states protesting its rates for the basic payphone line and unbundled features.[7] The petitioners in those proceedings have contended that BellSouth's rates for these services must be significantly reduced in order to be cost based. Furthermore, no Commission in a BellSouth state has conducted the FCC-required review of LEC tariffs for basic payphone lines and unbundled features.[8] These facts, and the cost information attached, present a *prima facie* showing that BellSouth is not entitled to receive dial around compensation as of April 15, 1997.

Based upon BellSouth's indisputable failure to comply with the intrastate and interstate tariffing requirements set forth in the *Payphone Orders*, the SPCC respectfully requests the Commission enter an order declaring that BellSouth is not eligible for dial around compensation. For this same reason, the SPCC also asks for an order rejecting BellSouth's CEI Plan until the Plan fully complies with the Commission's tariffing requirements.

With kind regards, I am

Very truly yours,

BEACH LAW FIRM, P.A.

John F. Beach

John F. Beach
Attorney for the Southeastern Public
Communications Coalition

cc: Radhika Karmarkar, Esquire (w/encl.)
Mr. Ben G. Almond (w/encl.)
Mr. John B. Muleta (w/encl.)
Michael Carrowitz, Esquire (w/encl.)

---

[6] Id. ¶ 34. [emphasis added]

[7] Parties have filed initiated such proceedings in Georgia, North Carolina, and South Carolina. The SPCC believes that IPPs have also raised similar concerns through intervention in pending BellSouth payphone service tariff revisions in other BellSouth states.

[8] *Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-128, *Report and Order*, FCC 96-388, released September 20, 1996 ("*Report and Order*"), *Order on Reconsideration*, FCC 96-439, released November 8, 1996 ("*Order on Reconsideration*") ¶¶ 162-163. (Collectively the *Payphone Orders*.)

EXHIBIT 1

BellSouth South Carolina Payphone Tariff Provisions For Unbundled Features

A7. COIN TELEPHONE SERVICE

A7.4 Public Telephone Access Service For Customer Provided Equipment (CPE) (Cont'd)

A7.4.2 Responsibility of the Subscriber (Cont'd)

C. (Cont'd)

12. Access to the presubscribed interLATA operator may be provided by 00- or 0+ for interLATA calls from each telephone. 00- shall not be used to reach the Company's operator.
13. A telephone directory for the local calling area must be located at the customer-provided pay telephone at all times.

A7.4.3 Violations of Regulations

A. Where any customer-provided telephone is used and/or connected in violation of this Tariff, the Company will promptly notify the customer of the violation.

B. Failure of the customer to discontinue such use or to correct the violation *within ten days may* result in the suspension or disconnection of the customer's service upon direction of the Public Service Commission until such time as the customer complies with the provisions of this Tariff. (

C. Any nonpayment of charges billed to the customer by the Company or misuse of tariffed facilities will result in disconnection of the customer's service in accordance with the South Carolina Public Service Commission's Rules and Regulations and other sections of this Tariff.

D. A charge to reconnect the service when disconnected for a violation of this tariff will apply.

A7.4.4 Optional Service Features

A. Central Office Blocking with Operator Screening

Central Office Blocking with Operator Screening is offered to provide a choice of restrictions at the subscriber's option. Central Office Blocking with operator screening is offered subject to availability of facilities.

1. Option A - Two-Way Service. No restrictions.
2. Option B - Outward Only Service. No other restrictions.
3. Option C - Two-Way Service. Provides screening information to the operator to prevent operator assisted sent-paid calls from being billed to the line. Provides central office blocking of 011+ calls.[1]
4. Option D - Outward Only Service. Provides screening information to the operator to prevent operator assisted sent-paid calls from being billed to the line. Provides central office blocking of 011+ calls.[1]
5. Option E - Two-Way Service. Provides central office blocking of 7 digit local, 976, 1+DDD and 1+900 calls. Provides screening information to the operator to prevent operator assisted sent-paid calls from being billed to the line. Provides central office blocking of 011+ calls.[1]
6. Option F - Outward Only Service. Provides central office blocking of 7 digit local, 976, 1+DDD and 1+900 calls. Provides screening information to the operator to prevent operator assisted sent-paid calls from being billed to the line. Provides central office blocking of 011+ calls.[1]

Note 1: 011+ blocking provides central office blocking of calls to numbers outside the North American Numbering Plans.